



Choctaw Nation of Oklahoma

Gaming Commission

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Gregory E. Pyle
Chief

Gary Batton
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April 22, 2013

National Indian Gaming Commission
1441 L. Street NW Suite 9100
Washington, DC 20005

Re: Comments on Proposed Rule, 25 CFR Part 543

On behalf of the Choctaw Nation of Oklahoma the Choctaw Nation of Oklahoma Gaming Commission respectfully submits the following comments regarding the standards for drop and count and surveillance of kiosks:

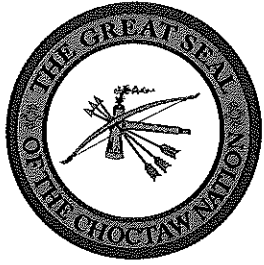
The Choctaw Nation of Oklahoma currently utilizes over 50 kiosks throughout our various properties and we feel confident that we have sufficient procedures and TICS in place to adequately monitor each kiosk. As other commentators have mentioned, we question the need for these regulations and feel they are unjustified and unnecessary.

543.17 (h)(1) states "Surveillance must be notified when the drop process is to begin so that surveillance may monitor the activities."

COMMENT: There is good possibility that a Tribe may have a kiosk in a Tier A Facility where "live" surveillance isn't required.

543.17 (h)(2) pertains to having 3 agents involved in the drop process (one of whom must be independent of kiosk accountability).

COMMENT: Increasing the number of agents that are required to be present during the drop process of the kiosks is impractical. This proposed requirement is more stringent than the current Class II MICS for drop and count, which only requires two (2) agents for the gaming machine drop and count for Tier A and B operations. We would like to recommend that two (2) agents be permitted to perform the drop process (one of whom must be independent of kiosk accountability).



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543.17 (h)(6) states that we must “test the machine to verify that currency cassettes contain the correct denomination and have been properly installed”.

COMMENT: The proposed requirement implies that a “test” of the kiosk be conducted after the cassettes are secured in the kiosk. However, “Testing” at this point will not ensure that the correct

denomination is in all cassettes, as there are multiple cassettes for some denominations. Until the primary cassette is empty, the secondary cassette will not dispense any currency. Also, performing this “test” on the gaming floor would create an unnecessary risk by requiring an associate to receive additional loose “test money”. Revising this proposed regulation to state “Sufficient procedures must be developed to ensure the correct denomination is in each currency cassette (verified by at least two (2) people for accuracy) and installed properly” is our recommendation.

543.17 (i)(1) states: “Access to stored full kiosk financial instrument storage components and currency cassettes must be restricted to: (i) Authorized members of the drop and count teams; and (ii) In an emergency, authorized persons for the resolution of problems.”

COMMENT: This proposed regulation limits other capable departments, such as the Vault Department, from having access to the full cassettes and has the potential to hinder the efficiency of some operations. The availability of the drop and count team may be limited and it is more likely that Vault Associates will be on duty. The kiosk currency cassettes are not replenished by the drop and count team at a majority of our operations. In our larger locations, an independent team is utilized specifically for servicing/maintaining kiosks; however, they are not considered Drop and Count Team Associates. This proposed regulation also prevents our current method of storing full currency cassettes in the Vault to ensure safekeeping. We would prefer a regulation that does not force the use of drop and count teams for this process.

543.17 (i)(6) states: “Count equipment and systems must be tested, and the results documented, before the first count begins, to ensure the accuracy of the equipment.” Must the equipment be tested each day prior to use when there are other regulations in place to ensure a regular test is performed?



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COMMENT: The statement "before the first count begins" is unclear to us. We strongly disagree with this requirement since the Tribe already regularly tests the currency counter equipment. In most cases, the currency counter utilized to count the gaming machine funds will also serve as the currency counter for the kiosk currency cassettes.

543.17 (i)(15) states: "A final verification of the total drop proceeds, before transfer to the cage/vault, must be performed by at least two agents, one of whom is a supervisory count team member and the other a count team agent."

COMMENT: We recommend: "A final verification of the total drop proceeds, before transfer to the cage/vault, must be performed by at least two (2) agents of the count team. In addition, requiring a "blind count" by the vault to ensure accuracy of transferred funds."

543.17 (j)(1) states: "Each of the following requires a separate and unique key lock or alternative secure access method: (v) kiosk currency cassettes".

COMMENT: Kiosk currency cassettes do not currently have "a separate and unique key lock" for each currency cassette. In order to achieve compliance with this proposed regulation, each currency cassette would have to be individually keyed and this would prove to be very costly for the Tribes.

The Choctaw Nation of Oklahoma appreciates the NIGC allowing us and other Tribes the opportunity to comment on the proposed Class II MICS regulations affecting our industry.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paula Penz".

Paula Penz, Gaming Commissioner
Choctaw Nation of Oklahoma